# EXHIBIT 10

EXHIBIT 10





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	July 20, 2010, 11:04:21 AM
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PrisonPlanet Forum > \*\*\*THE MAIN BOARDS - Welcome to the Prison Planet Forum\*\*\* > General Discussion > Absolute Proof that the CIA has staged a coup in the United States and Need to be defunded/prosecuted or as RP puts it: "Taken Out" > CIA'S WAR IN AFGHANISTAN > US considering drone attacks on Pakistani city of 850,000: report

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Author

Topic: US considering drone attacks on Pakistani city of 850,000: report (Read 797 times)

Suriel Hero Member ያለያያያያ

US considering drone attacks on Pakistani city of 850,000: report « on: December 14, 2009, 03:32:53 PM »

Offline

Posts: 1,070

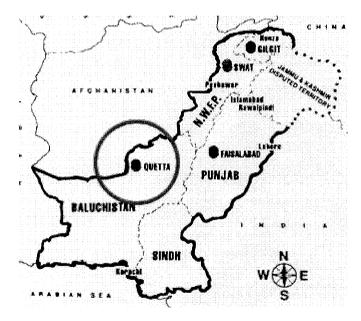


Monday, December 14th, 2009 -- 10:36 am

http://rawstory.com/2009/12/drone-attacks-pakistani-city-850000/



This is the end...



Senior US officials are pushing to expand CIA drone strikes beyond Pakistan's tribal region and into a major city in an attempt to pressure the Pakistani government to pursue Taliban leaders based in the city of Quetta -- a city with some 850,000 people, according to a report Monday.

The Obama Administration is eyeing Predator aircraft strikes in Quetta in an effort to decapitate the Taliban, according to the LA Times. But the prospect of launching a major attack in a highly populous city has struck some officials as unwise, officials who apparently leaked news of the program to a major US

Pakistani officials have also warned that the fallout would be severe.

"We are not a banana republic," the Times quoted a senior Pakistani official as saying. If the United States follows through, the official said, "this might be the end of the road."

Obama officials disagree. One senior US official was quoted as saying, "If we don't do this -- at least have a real discussion of it -- Pakistan might not think we are serious. What the Pakistanis have to do is tell the Taliban that there is too much pressure from the US; we can't allow you to have sanctuary inside Pakistan anymore."

Proponents, including some military leaders, argue that attacking the Taliban in Quetta -- or at least threatening to do so -- is critical to the success of the revised war strategy President Obama unveiled last week. But others, including high-ranking US intelligence officials, have been skeptical of employing drone attacks in a place that Pakistanis see as part of their country's core.

The US has increased CIA-initiated Predator drone attacks since President Obama took office. In October, The New Yorker's Jane Mayer noted a New America Foundation study, which posited that Obama's team had increased such strikes "dramatically."

#### Quote

According to a just completed study by the New America Foundation, the number of drone strikes has risen dramatically since Obama became President. During his first nine and a half months in office, he has authorized as many C.I.A. aerial attacks in Pakistan as George W. Bush did in his final three years in office. The study's authors, Peter Bergen and Katherine Tiedemann, report that the Obama Administration has sanctioned at least forty-one C.I.A. missile strikes in Pakistan since taking office—a rate of approximately one bombing a week. So far this year, various estimates suggest, the C.I.A. attacks have killed between three hundred and twenty-six and five hundred and thirty-eight people. Critics say that many of the victims have been innocent bystanders, including children.

In the last week of September alone, there were reportedly four such attacks—three of them in one twenty-four-hour period. At any given moment, a former White House counterterrorism official says, the C.I.A. has multiple drones flying over Pakistan, scouting for targets. According to the official, "there are so many drones" in the air that arguments have erupted over which remote operators can claim which targets, provoking "command-and-control issues."

Mayer's October piece took issue with the frequency of Predator strikes, which involve targeted assassinations of purported terrorists. While seemingly effective -- and certainly effective at driving terrorists underground --there is little oversight.

"It's easy to understand the appeal of a 'push-button'"approach to fighting Al Qaeda, but the embrace of the Predator program has occurred with remarkably little public discussion, given that it represents a radically new and geographically unbounded use of state-sanctioned lethal force," Mayer wrote. "And, because of the C.I.A. program's secrecy, there is no visible system of accountability in place, despite the fact that the agency has killed many civilians inside a politically fragile, nuclear-armed country with which the U.S. is not at war."

Predator drones are flown by civilians. In the past, they've also involved security contractors such as Blackwater.

"According to a former counterterrorism official, the contractors are "seasoned professionals—often retired military and intelligence officials," Mayer writes. "Once the drones are aloft, the former counterterrorism official said, the controls are electronically 'slewed over' to a set of 'reachback operators,' in Langley. Using joysticks that resemble video-game controls, the reachback operators—who don't need conventional flight training—sit next to intelligence officers and watch, on large flat-screen monitors, a live video feed from the drone's camera."

Quetta is a target because it is seen as a base for Taliban leader Mullah Mohammed Omar.

"Pakistan is not expected to hand over Mullah Mohammed Omar, the Taliban leader and longtime ally of Osama bin Laden who fled Afghanistan when U.S. forces invaded after the Sept. 11 attacks," the Times reporters write. "Omar is believed to have used Quetta as a base from which to orchestrate insurgent attacks in Afghanistan.

"But U.S. officials said they have presented Pakistan with a list of Taliban lieutenants and argued that, with a U.S. pullout scheduled to begin in 18 months, the urgency of dismantling the so-called Quetta shura is greater than at any time in the 8-year-old war," they add.

With AFP.

Logged

"We have reached a stage at which we have surrounded ourselves with more things, but have less joy." -The Brothers Karamazov by Fyodor Dostoevsky translated by Ignat Avsey

### starvosan Sr. Member

นินินินิ Offline

Re: US considering drone attacks on Pakistani city of 850,000: 🕼 report

« Reply #1 on: December 14, 2009, 11:01:23 PM »

Posts: 327

Thirty years ago enraged Pakistanis burned down the American Embassy in Islamabad for some reason or another, in a mostly forgotten historical event. If this stuff continues, they will probably burn it down again.

http%3A//www.washingtonpost.com/wp-dyn/articles/A15332-2004Nov26.html

Re: US considering drone attacks on Pakistani city of 850,000:

Logged

larsonstdoc Hero Member ជាជាជាជាជា Online

⟨ report
⟩ « Reply #2 on: December 14, 2009, 11:11:40 PM »

Posts: 11,070



This will stir up some hatred towards the US. This place has as many people as the metro area of Omaha, Ne--837,000 people.

Logged

Digler

Re: US considering drone attacks on Pakistani city of 850,000:

« Reply #3 on: December 14, 2009, 11:21:48 PM »

All eyes are opened, or opening, to the rights of man. Hero Member

This is a test field.

this is a test field for use in the US.

Posts: 49,298



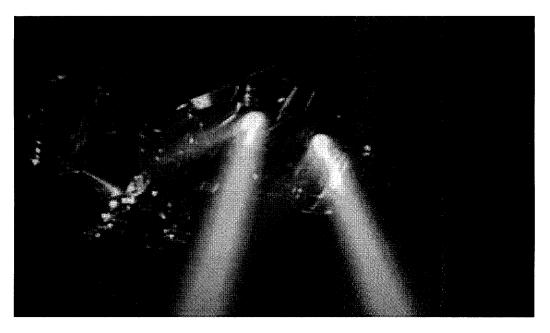
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Size 10 Guest All eyes are opened, or opening, to the rights of man. The general spread of the light of science has already laid open to every view the palpable truth, that the mass of mankind has not been born with saddles on their backs, nor a favored few booted and spurred, ready to ride them legitimately

## Re: US considering drone attacks on Pakistani city of 850,000:

« Reply #4 on: December 14, 2009, 11:25:06 PM »

You know, those flying killing machines in the Terminator movies don't seem so far-fetched any more...





Logged

Piltdown Man <sub>Guest</sub>

Re: US considering drone attacks on Pakistani city of 850,000:

« Reply #5 on: December 14, 2009, 11:39:02 PM »

Does the forum know they are doing this mass murder from a freekin trailer outside Las Vegas??? so supremely sick...

http://www.slate.com/id/2147400/

The Air Force's Predator missions in Iraq and Afghanistan are controlled by pilots sitting in trailers at Nellis Air Force Base just outside Las Vegas. Even though they're not in the combat zone, Predator and Global Hawk pilots still wear full flight suits.

#### How To Fly a Drone

Just pretend like you're playing PlayStation.

By Dan KoisPosted Wednesday, Aug. 9, 2006, at 1:34 PM ET

On Monday, the Israeli air force shot down a Hezbollah drone over Israeli airspace. According to media reports in Israel, the unmanned craft was preparing to drop explosives. How do you pilot an unmanned drone?

Depending on the drone, it's either like playing a video game, flying a remote-controlled plane, or doing data entry. Drones, also known as unmanned aerial vehicles, are pilotless airplanes used for reconnaissance and surgical attacks. The U.S. Army's drone of choice, the Raven, is a 3-foot-long, camera-equipped miniplane that's "launched" when a soldier winds up and throws it. Once in the air, the Raven is controlled by a book-sized console that looks something like a 1980s-era Coleco football game. The screen at the top displays one of the drone's three video feeds, and the joysticks and buttons at the bottom pilot the craft. Operators can use the sticks to pilot the Raven like a model plane or just preprogram GPS coordinates for the drone to follow. There's even a button that automatically returns the Raven to its launch site.

Eric Umansky argued that the armed Predator drone isn't as revolutionary as it looks. William Saletan pondered how remote-controlled killing is changing the practice—and the morality—of warfare. In 2002, Fred Kaplan predicted that smart bombs alone would not be enough to win the war in Iraq. Daniel Engber explained how to aim a rocket.

The Air Force's Predator is much larger and more complex than the Raven. Because the Predator is used for both spying and attacks—it's outfitted with Hellfire missiles as well as video and communications equipment—it needs to be nimble. Predator pilots operate the craft from the ground using a flight stick exactly like one used in an airplane. They also face an array of computer screens streaming data from the Predator's instruments and video from the drone's primary camera while chatting with others involved in the mission via a keyboard and headset. A second crew member, the "sensor," controls the video and communications equipment.

The U.S. military's top-of-the-line drone is the Air Force's Global Hawk. The Hawk is a high-altitude, long-endurance spy plane that's much larger than the

tiny Raven or the medium-sized Predator. (Its wingspan is more than 100 feet.) The Global Hawk's sole job is to spy from high above, and it takes little video-game razzle-dazzle to fly it. The pilots simply enter coordinates on computer keyboards while eyeballing a digital representation of the drone's airspace.

The Hezbollah drone, an Iranian-built Mirsad-1, is somewhere between a Raven and a Predator in size and less sophisticated than either. The Mirsad-1 cannot communicate around the globe via satellite technology, and it has no internal GPS navigation system. As a result, the Hezbollah drone was probably operated from a high hilltop by one or two people with joysticks and a laptop—with a drone like this one, it's imperative that the operator never lose direct line of sight.

The Army and the Air Force have very different philosophies in determining who gets to fly drones. The Air Force's larger, more complex drones are flown only by fully-trained pilots. The Army allows its Raven to be operated by enlisted men who have had a modicum of training. PlayStation-adept grunts have proved to be excellent drone operators—one major told the Army News Service that one top Raven operator is normally a cook.

Bonus Explainer: Where are drone pilots, anyway? Raven operators must be in the field since they have to maintain line of sight with their drones. Pilots of the satellite-ready Global Hawks and Predators can be half a world away from their targets. The Global Hawk program is run out of Beale Air Force Base in California. The Air Force's Predator missions in Iraq and Afghanistan are controlled by pilots sitting in trailers at Nellis Air Force Base just outside Las Vegas. Even though they're not in the combat zone, Predator and Global Hawk pilots still wear full flight suits.

L Logged

### Digler All eyes ar

All eyes are opened, or opening, to the rights of man. Hero Member

Posts: 49,298





### Re: US considering drone attacks on Pakistani city of 850,000:

« Reply #6 on: December 14, 2009, 11:53:33 PM »

#### Quote from: Piltdown Man on December 14, 2009, 11:39:02 PM

Does the forum know they are doing this mass murder from a freekin trailer outside Las Vegas??? so supremely sick...

http://www.slate.com/id/2147400/

The Air Force's Predator missions in Iraq and Afghanistan are controlled by pilots sitting in trailers at Nellis Air Force Base just outside Las Vegas. Even though they're not in the combat zone, Predator and Global Hawk pilots still wear full flight suits.

#### How To Fly a Drone

Just pretend like you're playing PlayStation.

yup, here are the new merchants of genocide...



There is no mercenary missile team in Pak/India to create tension...



when all else fails...



Logged

All eyes are opened, or opening, to the rights of man. The general spread of the light of science has already laid open to every view the palpable truth, that the mass of mankind has not been born with saddles on their backs, nor a favored few booted and spurred, ready to ride them legitimately

iarsonstdoc Hero Member มีมีมีนั้น Online Re: US considering drone attacks on Pakistani city of 850,000:

« Reply #7 on: December 15, 2009, 12:00:10 AM »

Posts: 11,070

http://newsblaze.com/story/20091127145656zzzz.nb/



Article dated 11-27-2009

Cindy Sheehan 'No Drones Tour' Protests Obama surge at Travis AFB

Cindy Sheehan, CodePINK target Travis AFB on Saturday to protest Obama's proposed escalation, 'drone war' in Afghanistan

Fairfield/Suisun - With anti-war Mom Cindy Sheehan on board, a CodePINK "No Drones Bus" heads to Travis Air Force Base Saturday - one of more than a half dozen military base protests on the way to Nevada to demonstrate against President Obama's plan for an escalation of the war against Afghanistan and the administration's increased use of "drone warfare" that kills civilians at high rates.

A news conference and protest will be held at Travis AFB (main gate) from 8:30 to 9:30 a.m. Saturday.

The bus, and its cadre of demonstrators from Northern California, will hold the following actions:

Saturday: 8:30-9:30 a.m. - Travis AFB (main gate), Fairfield. 2-3 p.m. - Lemoore Naval Air Station (main gate), Lemoore.. 4-5 p.m. - Fresno Air National Guard (main gate), Fresno.

Sunday: 7:30-8:30 a.m. - Edwards AFB (main gate), Edwards. 11-12 Noon -

Marine Corps Logistics Base (main gate), Barstow. 1-2 p.m. - Ft. Irwin Army Military Reserve (main gate), Ft. Irwin. 5-6 p.m. - Nellis AFB (main gate), North Las Vegas.

Once at Creech AFB in Indian Springs, NV) demonstrations Monday will be held in conjunction with International Climate Justice Day of Actions to protest the environmental disaster caused by wars (including 51 percent of fossil fuels in the world are consumed by the U.S. military).

On Tuesday, timed to coincide with Obama's expected announcement to increase troops strength in Afghanistan, Dawn to Dusk protests will be held at the front gate at Creech AFB.

#### A CodePINK statement said:

"President Obama was elected to end the war. We are still in Iraq, drone bombing against Pakistan for the past 6 months has been more than all the drone bombing under Bush and we're escalating in Afghanistan. We have one message for U.S. troops: RESIST, REFUSE, DON'T GO, NO SURGE; and one message for Obama: Troops Home NOW."

Logged

iarsonstdoc Hero Member おおおおお Online Re: US considering drone attacks on Pakistani city of 850,000: report

« Reply #8 on: December 15, 2009, 11:27:19 PM »

Posts: 11,070

http://www.lvrj.com/news/out-of-nevada-comes-beast-79291807.html



CREECH AIR FORCE BASE: Out of Nevada comes 'Beast'

New remotely piloted plane joins U.S. arsenal

By KEITH ROGERS LAS VEGAS REVIEW-JOURNAL

Creech Air Force Base's 30th Reconnaissance Squadron at the Tonopah Test Range is flying a remotely piloted aircraft, the RQ-170 Sentinel. Graphic by Mike Johnson.

Its nickname is the "Beast of Kandahar," but the Air Force has officially dubbed it the RQ-170 Sentinel.

Whatever it is called in aviation or military circles, the Pentagon this month confirmed the existence of what experts are calling the latest addition to the Air Force's fleet of remotely piloted spy plane

Like the much-publicized Predator and Reaper unmanned aerial systems, the Sentinel is home-based in Nevada and was probably tested at classified locations on the Nellis range, including Area 51, one private defense information expert said.

An Air Force spokesman said the Sentinel is being developed by Creech Air

Force Base, specifically the base's 30th Reconnaissance Squadron at the Tonopah Test Range, about 150 miles northwest of Las Vegas. He said the squadron is part of the 432nd Wing at Creech, hub for the nation's remotely piloted military aircraft.

Andy Bourland, chief spokesman for the Air Force press desk at the Pentagon, declined to release photographs of the Sentinel or discuss anything beyond a four-sentence statement.

The statement reads in part that the Air Force "is developing a stealthy unmanned aircraft system (UAS) to provide reconnaissance and surveillance support to forward deployed combat forces."

"The RQ-170 Sentinel, a low observable UAS, was built by Lockheed Martin's Advanced Development Programs. The fielding of the RQ-170 aligns with Secretary of Defense Robert M. Gates' request for increased intelligence, surveillance and intelligence support to the Combatant Commanders and Air Force Chief of Staff General Norton Schwartz's vision for an increased ... reliance on unmanned aircraft," Bourland's statement reads.

A story in the trade publication Aviation Week & Space Technology reported that the Sentinel has been flying classified missions over Afghanistan and was photographed twice in 2007 at Kandahar's airport.

Last April, the stealthy unmanned aircraft was referred to as the "Beast of Kandahar" in a defense technology blog by veteran black projects researcher Bill Sweetman.

Aviation Week's latest article describes the Sentinel as a "tailless flying wing" with a wingspan similar to that of the rear propeller-driven MQ-9 Reaper, which has a wingspan of 66 feet.

The Reaper is the big brother of the MQ-1 Predator, but with the laser-guided missiles that the Predator fires, the Reaper can drop laser-guided bombs.

Both are workhorses in the wars in Afghanistan and Iraq and are in high demand by battlefield commanders.

They can be controlled by pilots and sensor operators via satellite links from ground stations at Creech and bases elsewhere in the United States.

John Pike, the director of globalsecurity.org, a military information Web site, said the Sentinel appears to be powered by a single jet engine so that it can fly at high altitudes and monitor large areas.

Pike said Pentagon planners probably are taking the next logical step to equip the Sentinel or a plane like it with munitions.

"If there isn't already an armed version of it, you would assume there would be," Pike said in a telephone interview Monday.

Assuming the budget for classified projects is as big as it was during the 1980s Strategic Defense Initiative -- "Star Wars" -- era of the Reagan administration, Pike said, aeronautical engineers are probably busy developing an array of unmanned aircraft at the classified installation not far from Creech on the dry Groom Lake bed known as Area 51.

"I think Area 51 is crawling with them," he said.

The Sentinel appears to be a scaled- down version of the radar-evading B-2 Spirit bomber.

"It does look like the people who designed this have seen the stealth bomber somewhere along the line," Pike said.

As for incorporating a jet engine in the design, he said there's nothing particularly unique about unmanned platforms being jet-powered. Others include the RQ-3 DarkStar and the RQ-4 Global Hawk.

It would make sense, Pike said, to use the Sentinel for persistent surveillance, like a Predator that loiters out of sight, high above its targets, except the Sentinel would cover a wider area.

As such, the Sentinel, like the Reaper and the Predator, would be useful for tracking terrorists in Iraq who need sizable facilities to build roadside bombs that unleash explosive-shaped charges capable of piercing armor.

The Sentinel could serve as a regional surveillance system to cover potential terrorist activities in countries such as Pakistan, Iran, Somalia and Yemen.

Logged

Suriel Hero Member 참차차차차 □ Offline

Posts: 1,070



This is the end...

Re: US considering drone attacks on Pakistani city of 850,000: report

« Reply #9 on: December 16, 2009, 03:07:40 PM »

Pakistan warns US against drone strikes on Quetta: FO

Updated at: 0810 PST, Wednesday, December 16, 2009 http://www.thenews.com.pk/updates.asp?id=93643

ISLAMABAD: Foreign Office spokesman said Pakistan has warned Obama administration against surge of US drone strike strategy up to Quetta in Balochistan province, Geo news reported.

Abdul Basit, FO spokesman, said Pakistan seeks stability in Afghanistan because peace and order in Pakistan lies in Afghan stability.

He demanded international world of pressurizing India to end muddling in Pakistan.

Pakistan seeks result-oriented dialogue with India in order to reach resolution of issues through round of composite dialogue, he concluded.

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"We have reached a stage at which we have surrounded ourselves with more things, but have less joy." - <u>The Brothers Karamazov</u> by Fyodor Dostoevsky translated by Ignat Avsey

Suriel Hero Member นินินินินิ Offline

Re: US considering drone attacks on Pakistani city of 850,000: peport

« **Reply #10 on:** December 16, 2009, 03:21:14 PM »

Posts: 1,070



This is the end...

#### **US drones headed for Pakistan?**

Quetta, Pakistan, population 850,000 could be the target of the next CIA strike. The intelligence agency is considering a plan to use Predator drones to hit the city believed to be a sanctuary for many Al Qaeda operatives. But Pakistani officials and some within the U.S. government believe such an attack would create a diplomacy nightmare because of all the potential civilian lives that could be lost.

http://www.voutube.com/watch?v=p7SWCmj7OBY

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"We have reached a stage at which we have surrounded ourselves with more things, but have less joy." - <u>The Brothers Karamazov</u> by Fyodor Dostoevsky translated by Ignat Avsey

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====> CIA'S WAR IN AFGHANISTAN

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## EXHIBIT 11

# EXHIBIT 11

F-12	simple machines forum
	July 19, 2010, 04:42:25 PM

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PrisonPlanet Forum > \*\*\*THE MAIN BOARDS - Welcome to the Prison Planet Forum \*\*\* > General Discussion > Pay your employees in gold and silver = go to jail (UPDATE)

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Search

Author

Topic: Pay your employees in gold and silver = go to jail (UPDATE) (Read 347 times)

rawiron1 Hero Member ພໍ່ມີພໍ່ມີພໍ່ Offline Pay your employees in gold and silver = go to jail (UPDATE)
« on: March 05, 2010, 01:27:14 PM »

Posts: 3,087

whert Kahre a 1980 graduate of Pancho High unsuccessfully su



"Robert Kahre, a 1980 graduate of Rancho High, unsuccessfully sued the Internal Revenue Service in 2002. Now he is on trial in federal court in Las Vegas, charged with tax evasion."

So they went after his gold and silver payment system in 2007. Interesting.

http://www.lvrj.com/news/46074037.html#blogcomments?submitted=y

May. 26, 2009 Copyright © Las Vegas Review-Journal

Employer's gold, silver payroll standard may bring hard time

'This is a case about money, greed and fraud'

By JOAN WHITELY
LAS VEGAS REVIEW-JOURNAL

Robert Kahre allowed but did not force workers who received their pay in gold coins, such as this one, to immediately exchange coins for paper dollar bills. The coin's denomination appears on its reverse side. Las Vegas Review-Journal file photo

Armed members of several law enforcement agencies raided Robert Kahre's business locations on May 29, 2003, to obtain records used to indict and prosecute defendants for federal tax crimes. The image, from a security camera, shows a piece of the action at one of his warehouses. Photo courtesy Robert Kahre

Robert Kahre, a 1980 graduate of Rancho High, unsuccessfully sued the Internal Revenue Service in 2002. Now he is on trial in federal court in Las Vegas, charged with tax evasion.

Brightcove TV Insider exclusive

Robert Kahre, who owns numerous construction businesses in Las Vegas, is standing trial on 57 counts of income tax evasion, tax fraud and criminal conspiracy. If convicted on most counts, he could live out his life in prison.

But attorney William Cohan paints Kahre as an American "hero" who believes his payroll system helped keep the U.S. monetary system sound, and was also a form of legal tax avoidance.

A self-made entrepreneur, Kahre, 48, paid his workers in gold and silver coin, and said they could go by the coins' face value -- rather than the much higher market value of their precious metal content -- for federal tax purposes. He did not withhold taxes from their wages, and he provided the same payroll system to 35 outside clients, which were other local businesses.

Judge David Ezra is presiding over the criminal trial, which began May 19 in U.S. District Court. Joining Kahre as defendants are his longtime girlfriend, a sister who works in his businesses, and a former business assistant.

Three of the four present defendants were among the nine people tried on similar charges two years ago, but no convictions resulted. In the 2007 trial, four others of the nine defendants, including Kahre's mother, were entirely acquitted. Two individuals were only partially acquitted, but dropped from the indictment that forms the basis for the trial before Ezra.

This time around, the only new defendant is Danille Cline, Kahre's girlfriend of 19 years, and the stay-at-home mother of his four children. The government claims she obstructed the Internal Revenue Service by allowing Kahre to place several homes in her name, thus attempting to conceal his assets.

Cline's former brother-in-law, Thomas Browne, also was indicted this time, for his role as broker in some of the real estate transactions, but has since reached a plea bargain. He is expected to testify against the defendants.

"This is a case about money, greed and fraud." The line appeared on screen in court during the government's opening statement by Christopher Maietta, a trial lawyer from the Washington, D.C., office of the Department of Justice.

According to the government, Kahre and others concocted a fraudulent cash payroll "scheme" and then peddled it to other Las Vegas contractors. Defendants did not report to the IRS any payments made to workers, "either at the true amount or at the bogus amount, ... being the face value of the coin or coins," according to the indictment.

The now-suspended payroll service handled about \$114 million over six years, according to court records. Between 17 and 25 percent of that went to Kahre or his workers; the rest went to the 35 client businesses to pay their workers, court records show.

The government did not indict most of the outside businesses or their personnel as co-conspirators with Kahre; although on May 6, Daniel McCartan of Action Concrete, which was one of Kahre's payroll clients, was finally sentenced in connection with a plea agreement reached in December 2006. McCartan received five months in prison and five months of home detention for one count of tax evasion.

Kahre contends his workers had agreed to be independent contractors, so he did not have to withhold taxes for them. His six businesses are in the trades of painting, drywall, tiling, plumbing, heating-cooling and electrical work.

Further, the \$50 gold coins and the silver dollars Kahre used for payroll are designated by Congress as legal tender, so people are entitled to value them at their stamped denominations, he also contends. Taken at face value, each defendant's annual coin income placed him below the threshold for filing a federal tax return.

Earlier cases on the question of how to value gold or silver coins have focused on collectible coins that had been pulled from circulation but still have value as property, according to the defense. Kahre used coins minted after 1985, which are allowed to circulate.

"It's not whether what Mr. Kahre did was legal under the law," defense attorney Michael Kennedy told the jury in his opening statement. "It's whether he believed what he did was legal," in the absence of explicit instructions by the IRS -- on its Web site, in its publications or in response to written correspondence from Kahre -- on how to value post-1985 gold or silver coins.

"We're not here to determine if moneys are owed," said Kennedy on behalf of his client, Lori Kahre, who had relied on her brother's tax theory. A tax mistake is different from a tax crime, so the IRS can still use administrative channels to force the defendants to pay back taxes, Kennedy has noted in the past.

A sincere, but mistaken understanding of the tax-filing process is different from adopting a "pretextual" belief system in order to dodge taxes, Ezra acknowledged in court Wednesday.

Cohan described Kahre's payroll system as a "boycott of the Federal Reserve." But when the lawyer attempted to elaborate on Kahre's view that the nation has debased its paper currency by abandoning its former gold standard, Ezra added, "We're not here to convince the jury that the ... (U.S.) monetary system belongs to an international cabal."

Contact reporter Joan Whitely at jwhitely@reviewjournal.com or 702-383-0268.

Logged

Jason the Fed

UK Lyn Hero Member インダインター Offline

Posts: 1,699



Re: Pay your employees in gold and silver = go to jail (UPDATE)

« Reply #1 on: March 05, 2010, 02:02:09 PM »

Fascinating case.

A Gold Eagle is \$50 face value, legal tender \$50 as stated by the US Mint.

I don't see how the government can argue their case, face-value is the guaranteed face-value.

They cannot rely on the gold spot value, because that can go way down as well as up.

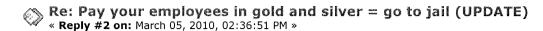
\$50 it is. Keep us updated on this case.

Logged

http://www.youtube.com/watch?v=qd2AHZ22SJ8

HEBGB Full Member なみな Offline

Posts: 150



"Cohan described Kahre's payroll system as a "boycott of the Federal Reserve."

That quote is frightening. Boycotting the Federal Reserve would be just the same as bycotting National City or PNC. ALL of them are privately held. The Federal Reserve is no more a government agency than 7/11.

Logged

EvadingGrid
Global Moderator
Hero Member

Offline

Re: Pay your employees in gold and silver = go to jail (UPDATE)

« Reply #3 on: March 05, 2010, 02:39:09 PM »

bump

Posts: 5,284



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We few, we happy few, we band of brothers; For he to-day that sheds his blood with me, Shall be my brother;



#### **Global Gulag**

rawiron1 Hero Member るなおおか Offline

ember

Re: Pay your employees in gold and silver = go to jail (UPDATE) « Reply #4 on: March 05, 2010, 02:47:21 PM »

Posts: 3,087

Try to pay your tax debt to the IRS in US gold coins and they won't except it. Go figure.



Jason

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Jason the Fed

UK Lyn Hero Member かかかか Offline

Posts: 1,699



Re: Pay your employees in gold and silver = go to jail (UPDATE) « Reply #5 on: March 05, 2010, 02:54:35 PM »

Quote from: rawiron1 on March 05, 2010, 02:47:21 PM

Try to pay your tax debt to the IRS in US gold coins and they won't except it. Go figure.

Jason

Is that a refusal per-se? Or a refusal to accept face or spot value?

I thought refusing legal tender (not a mass of 'small change') was a crime in western countries?

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http://www.youtube.com/watch?v=qd2AHZ22SJ8

HEBGB Full Member 分分分 口 Offline

Posts: 150

Re: Pay your employees in gold and silver = go to jail (UPDATE) « Reply #6 on: March 05, 2010, 02:57:41 PM »

Quote from: UK Lyn on March 05, 2010, 02:54:35 PM

Is that a refusal per-se? Or a refusal to accept face or spot value?

I thought refusing legal tender (not a mass of 'small change') was a crime in western countries?

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